

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:4123
ANSWERED ON:14.12.2000
PRODUCTION OF CRUDE OIL IN ASSAM AND GUJARAT
MONI KUMAR SUBBA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the cost of production per barrel of crude in Assam and Gujarat and the Royalty payable to the respect states thereon;
- (b) the production of oil from Assam wells during 1999 and the current year, alongwith the total royalty paid;
- (c) whether there is any proposal to enhance the royalty on crude; and
- (d) if so, the details thereof and the Government's reaction thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

a) The cost of Production of Crude Oil for the year 1999-2000 is as given below ;

(US \$ per barrel)

Assam	Gujarat		
i) ONGC	13.60	5.88	
ii) OIL	3.73	-	
iii) Private/JV	-	3.92	

Exclusive of Cess and Royalty

The present rate of royalty on crude oil payable by the National Oil Companies like ONGC and OIL to oil producing States is Rs. 800/- per tonne. However, as per the Production Sharing Contracts signed between the Government of India and Joint Venture/Private companies, the royalty payable to the concerned state Government's by these companies is Rs. 481/- per tonne.

Note: ONGC: Oil and Natural Gas Corporation Ltd.
OIL: Oil India Ltd.
Pvt./JV: Private/Joint Venture
Companies

b) The details are given below :-

Production	Royalty accrued/ paid (Rs. crore)	
(MMT)		
i) 1999-2000	5.016	331.51
ii) 2000-2001	3.356	199.09

(April-
Oct., 2000)
(April-Sept., 2000).

(c) & (d): Government have been enhancing the rate of royalty on crude oil on provisional basis from time to time, pending regular revision of the rate of royalty. The rate of royalty was provisionally increased from Rs. 578/MT to Rs. 750/MT on 1.12.1999 with effect from June, 1999. The provisional rate was further enhanced from Rs. 750/MT to Rs. 800/MT on 2.5.2000 with effect from 1.1.2000. A Committee has been constituted on 26.4.2000 for evolving a new Scheme of royalty effective from 1.4.1998. On receipt of the Report of the Committee, the Government would examine its recommendations and take appropriate views in the matter.